

# **EXHIBIT 55**

IN THE UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

UNITED STATES OF AMERICA,	)	No. 12 CR 87-1
	)	
Plaintiff,	)	
	)	
v.	)	Chicago, Illinois
	)	October 9, 2013
RONALD WATTS,	)	1:35 p.m.
	)	
Defendant.	)	Sentencing

TRANSCRIPT OF PROCEEDINGS  
BEFORE THE HONORABLE SHARON JOHNSON COLEMAN

## 11 || APPEARANCES:

12 For the Government: HON. GARY S. SHAPIRO  
13 United States Attorney, by  
14 MS. MARGARET J. SCHNEIDER  
15 MS. MEGAN C. CHURCH,  
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16 For the Defendant: LAW OFFICES OF THOMAS GLASGOW  
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19 BY: MR. THOMAS T. GLASGOW  
MR. WILLIAM B. BEATTIE

20 || U.S. PROBATION: MR. ZAKARY FREEZE

23                   TRACEY DANA McCULLOUGH, CSR, RPR  
24                   Official Court Reporter  
25                   219 South Dearborn Street  
                         Room 1426  
                         Chicago, Illinois 60604  
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1                   THE CLERK: 12 CR 87, USA versus Ronald Watts for  
2 sentencing.

3                   MS. SCHNEIDER: Good afternoon, Your Honor. Maggie  
4 Schneider and Megan Church for the United States.

5                   MR. GLASGOW: Good afternoon, Your Honor. Thomas  
6 Glasgow, G-L-A-S-G-O-W, as well as Mr. William Beattie for Mr.  
7 Watts.

8                   THE COURT: All right. Good afternoon everyone.  
9 Good afternoon, Mr. Watts.

10                  DEFENDANT WATTS: Good afternoon, Your Honor.

11                  MR. FREEZE: Judge, Zakary Freeze with the U.S.  
12 Probation office.

13                  THE COURT: All right. Mr. Freeze. And we're here  
14 for sentencing.

15                  MS. CHURCH: Yes, Your Honor.

16                  THE COURT: And is everyone ready to proceed?

17                  MR. GLASGOW: Yes, Your Honor.

18                  MS. SCHNEIDER: Yes, Your Honor.

19                  THE COURT: Mr. Watts.

20                  DEFENDANT WATTS: Yes, ma'am.

21                  THE COURT: The Court wants to point out that I have  
22 reviewed the presentence investigation report here that has  
23 been presented to the Court, the different written  
24 presentations by your lawyers on your behalf and by the  
25 government, and just the overall history of this case on the

1 docket. Sentencing is the most difficult and probably  
2 important task that a judge has to perform. I do not take it  
3 lightly.

4 And it is important that this Court not only be aware  
5 of the statutory provisions when it comes to the offense that  
6 you have pled guilty to. The Court also looks at the guideline  
7 provisions, which I'm sure your lawyer has told you -- your  
8 lawyers have told you that is advisory, but does give this  
9 Court some context on which to base its judgment. The Court  
10 looks at again all of the presentations in writing that have  
11 been presented. I'll hear oral arguments, and I will also give  
12 you the opportunity to address the Court.

13 After having and considering all of that information,  
14 the Court then also looks at the sentencing factors under 3553  
15 (a) of the statutes to fashion a sentence in your case that is  
16 sufficient but not greater than necessary. So, in other words,  
17 sir, I look at everything. All right. And so it is not --  
18 there's not a cut and dried formula or cut and dried sentence.  
19 Every case is different. The Court also notes that the Court  
20 has in front of it, of the Court all of the letters that you  
21 have presented on your behalf. And the Court notes there are  
22 persons in court here to support you.

23 All right. But, first of all, we are going to look  
24 at the presentence investigation report. And the presentence  
25 investigation report that has been tendered to the Court after

1 your guilty plea is a large document which you were able to  
2 give input to Probation. Probation got information by you,  
3 information probably from some of your relatives, close friends  
4 to compile this picture of what your criminal history is, what  
5 your personal history is for the Court to review. And it  
6 results in after there is a compilation of all that information  
7 the Court is recommended a particular offense level and  
8 criminal history category.

9 And in this case it is what, Mr. Freeze?

10 MR. FREEZE: Judge, the total offense level or the  
11 criminal history category?

12 THE COURT: The category, the category. The offense  
13 level.

14 MR. FREEZE: The total offense level that I have  
15 calculated --

16 THE COURT: I just wanted to make sure I had the  
17 right document.

18 MR. FREEZE: -- is 12.

19 THE COURT: Okay.

20 MR. FREEZE: And with a criminal history category of  
21 1, Judge.

22 THE COURT: All right. That's what I had. There was  
23 a little bit of confusion on the docket where one of the other  
24 defendants was somehow superimposed.

25 MR. FREEZE: I apologize for that, Judge.

1                   THE COURT: That's all right. The Court caught it,  
2 and I just wanted to make sure that we're on the record having  
3 the right calculations. So that's what the Court had, an  
4 offense level presented on the PSI of 12, which would -- and a  
5 criminal history category of 1, which would be an advisory  
6 guideline provision of 10 months to 16 months in Zone C. With  
7 a recommendation of the guidelines of 1 to 3 years of mandatory  
8 supervised release, a fine of 3,000 to \$30,000, and a special  
9 assessment of \$100. That's the advisory guidelines.

10                  Is there any argument from the defense, who I'm  
11 certain have gone over this document with your client, as to  
12 whether or not this Court should adopt the presentence  
13 investigation?

14                  MR. GLASGOW: As the Court knows, this was tendered  
15 to us. We did get a chance to go over it with Mr. Watts. We  
16 went over it in great length. There are no additions,  
17 corrections, or deletions. And he concurs with the sentencing  
18 guidelines which have been put forth by Probation.

19                  THE COURT: All right. Thank you. As to the  
20 government, do you have any adjustments that you believe need  
21 to be made in the presentence investigation report?

22                  MS. SCHNEIDER: We do, Your Honor. We when preparing  
23 our sentencing memorandum realized that we failed to advance an  
24 enhancement for -- under Section 3 (b) 1.1 (c) for the  
25 defendant being a leader or organizer in the offense. We

1 believe that that enhancement should apply here. He planned  
2 and organized the offense as the point of contact with the  
3 confidential source. He recruited Mr. Mohammed to participate.  
4 He claimed a larger share of the proceeds of the crime. And as  
5 Mohammed's sergeant and organizer -- and as the organizer of  
6 the activity, he exercised control. And I think those are all  
7 factors that the law says should be considered in applying this  
8 enhancement. And given that they are present here, we do  
9 believe that two levels should be applied.

10 THE COURT: And you believe the calculation should be  
11 a 14 offense level then, is that correct?

12 MS. SCHNEIDER: Yes.

13 THE COURT: Would you like to respond, Counsel.

14 MR. GLASGOW: Yes, Your Honor. The basis for the  
15 enhancement that the government has given is based on  
16 supposition, and there's been no evidence that's been tendered  
17 before the Court to end up adding the enhancement level. The  
18 supposition that he ended up being the leader is a bit of a  
19 stretch, Judge, considering the fact that Mr. Mohammed and Mr.  
20 Watts were alleged throughout the entire course of this case to  
21 have worked in concert.

22 Additionally, as Your Honor recalls, from -- as this  
23 Court had listened to during the course of the plea of Mr.  
24 Mohammed, he claimed that he accepted no cash and had no  
25 remuneration whatsoever as a result of any of the schemes,

1 artifices, or of the ongoing issue that Mr. Watts and himself  
2 apparently participated in. That's highly unbelievable, Judge.

3                   And in addition, Mr. Watts and Mr. Mohammed, there is  
4 no showing of who was the leader as there was no audio from Mr.  
5 Mohammed nor Mr. Watts as to what was going on during the  
6 course of the conversations back and forth. The only thing  
7 that the government was able to produce was the fact that they  
8 were contacting and talking to each other vis-a-vis the fact  
9 that the PIN register indicated that they were calling one  
10 another during the course of the commission of the act that has  
11 been charged, as well as the aggravating factors set forth in  
12 the sentencing memorandum and the government's sentencing  
13 memorandum.

14                   There has been nothing to substantiate that position.  
15 And as such, Judge, I would respectfully object to the Court.

16                   MS. SCHNEIDER: Judge, I think that the facts are  
17 there given the various documents that we attached to our  
18 government's version that lay out the facts. The facts  
19 admitted to by Mr. Mohammed in his plea agreement, the facts  
20 admitted to by Mr. Watts when he pled guilty all establish that  
21 Mr. Watts was running the show when it came to the charged  
22 offense. Like I said, he was the one who organized the whole  
23 thing, recruited Mr. Mohammed and brought him into it.

24                   I would also note that I believe Mr. Mohammed got a  
25 reduction for being a minor participant in the offense, which

1 would I think further suggest that Mr. Watts was, in fact, the  
2 one who was more culpable and responsible for organizing and  
3 leading this offense.

4 THE COURT: Because Mr. Mohammed got a lesser amount  
5 and was agreed to in his deal, that assumes that --

6 MS. SCHNEIDER: No, I'm sorry, Judge. He was  
7 determined to be a minor participant in the offense under the  
8 guidelines. And I think the other side of that coin in part is  
9 that Mr. Watts was more culpable. And I think the facts show  
10 that he was, in fact, the one who did organize this offense and  
11 pushed it forward much more so than Mr. Mohammed.

12 THE COURT: The Court is looking at the factors that  
13 would determine whether or not this Court should allow a  
14 two-point enhancement for him being -- Mr. Watts being a leader  
15 here. There is several things to take a look at here that go  
16 on either side of the ledger. The facts that were presented  
17 both in Mr. Mohammed's case, both his plea and the review of  
18 the offense in his PSI and the plea that was presented by Mr.  
19 Watts would tend to indicate that Mr. Watts was the leader.

20 But, of course, as counsel has stated, we have one  
21 side. Clearly Mr. Mohammed pled quickly and wanted to take  
22 advantage of that obviously for his own benefit. The Court  
23 also notes, though, that the defendant Mr. Watts was the senior  
24 officer of the two. And it appeared from some of the  
25 attachments of the government he was referred to as the big man

1 or the man in some of the attachments that were put forth by  
2 the government. Obviously you don't have to be at the same  
3 level to have the same participation. Just because you are on  
4 different ranks doesn't mean that you have one that may have a  
5 lower rank that may not still be running things.

6                   This Court believes it's a close call on whether or  
7 not in some ways it appears that the defendant was, but the  
8 Court also believes we have a defendant Mr. Mohammed whose role  
9 at most may have been slightly less. They were in it together  
10 throughout. Doing it together. And the Court is going to deny  
11 the motion for a two-level enhancement for being a leader or  
12 organizer. And so the Court will adopt the presentence  
13 investigation report that has been presented by Probation.

14                   All right. As to motions for departure, either side.  
15 First defendant.

16                   MR. GLASGOW: Judge, we accept the sentencing range,  
17 and we're not making a move for a downward departure in this  
18 matter.

19                   THE COURT: All right. Government.

20                   MS. SCHNEIDER: Yes, Judge, we are seeking a sentence  
21 that is above the guidelines range. Do you want me to proceed  
22 with my argument?

23                   THE COURT: You know what, why don't you combine it  
24 with your total sentencing recommendation.

25                   MS. SCHNEIDER: Sure. Proceed?

1 THE COURT: Yes.

2 MS. SCHNEIDER: Okay. We do believe that a sentence  
3 above the guidelines, and our recommendation is 36 months,  
4 would be sufficient but not greater than necessary in this  
5 case. It would reflect the serious nature of the offense, the  
6 history and characteristics of Mr. Watts, and the goals and  
7 purposes of sentencing as set forth in Section 3553 (a).

8 In terms of the nature and circumstances of the  
9 offense, the charged conduct and the relevant conduct were  
10 serious offenses that were a betrayal of his duty as a police  
11 officer. When he was approached by someone that he believed to  
12 be a courier for drug dealers, he jumped right on the idea of  
13 stealing what he believed to be drug proceeds from the courier  
14 and then kicking back a portion to the courier. He did this  
15 twice with apparently no second thoughts from what we see on  
16 the recordings, and which leads you to wonder how many times he  
17 might have done something similar when the government was not  
18 involved.

19 So in addition to that, the Court can and should also  
20 consider the other criminal conduct that the defendant has  
21 engaged in in the course of his career as a police officer. As  
22 set forth in the submissions to Your Honor, from at least 2007  
23 into 2008 he while working in the Ida B. Wells projects with  
24 his co-defendant Mohammed, projects that were plagued with  
25 crime, drug dealing, gang activity, rather than serving and

1 protecting the residents of those communities, he and Mohammed  
2 worked together to extort protection payments and protect the  
3 drug dealers that he should have instead been pursuing.

4 I also would note that he did other things such as  
5 putting a false case on the confidential source that was  
6 involved in our investigation. Had him arrested on drug  
7 charges. And the source, who was a homeless unemployed  
8 alcoholic, felt he had no chance of successfully fighting that  
9 case so he pled guilty to a crime he didn't commit. So all of  
10 these factors and criminal conduct in which the defendant has  
11 engaged is very serious and warrants a serious sentence.

12 In terms of his history and characteristics, as you  
13 have seen from the defense's submissions, he certainly has some  
14 good characteristics. He appears to be a loving father, a good  
15 friend. He served in the military and successfully performed  
16 some of his duties as a police officer. But it almost makes it  
17 worse that despite all these good qualities, he chose to betray  
18 his oath as a police officer and instead engage in years of  
19 crime. These good qualities should have prevented him from  
20 engaging in the crimes that bring him here, but they didn't.  
21 He let his greed win out and chose to extort drug dealers and  
22 steal from who he believed to be drug couriers.

23 A significant sentence is also needed here to reflect  
24 the seriousness of the offense and promote respect for the law.  
25 The crime was very serious and undermined the criminal justice

1 system and crimes because of his position as a police officer.  
2 Crimes like these give the community reasons to doubt law  
3 enforcement and believe that law enforcement can't be trusted.  
4 And not just in this case, but in other cases citizens doubt  
5 law enforcement and doubt the legitimacy of what are otherwise  
6 legitimate criminal prosecutions when they see things like this  
7 happening. So a significant sentence is warranted here to  
8 address these issues, to promote respect for the law, and to  
9 show how serious these offenses are.

10                   And finally, I think the government believes a  
11 significant sentence is needed to deter both this defendant and  
12 others from criminal activity. In terms of the larger general  
13 deterrence, the sentence here needs to send a message to the  
14 law enforcement community that bad cops will be prosecuted and  
15 punished when they use their position to commit crimes.  
16 Deterrence is particularly important because of the  
17 difficulties that we have in investigating and prosecuting  
18 these types of cases.

19                   People like the CS in our case or residents in the  
20 Ida B. Wells Housing Project don't believe that they will be  
21 believed over the words of a police officer, so they don't come  
22 forward. Making it very difficult to detect and prosecute  
23 these crimes. Also, I think specific deterrence is an issue  
24 here with respect to Mr. Watts. He will probably never again  
25 be in a law enforcement position, but he faces a future as a

1       convicted felon. His conduct suggests that he may attempt to  
2       engage in similar criminal activity when he's living under more  
3       dire circumstances, difficulties in being a convicted felon and  
4       perhaps have difficulty in obtaining employment. And a  
5       sentence here should keep him out of the community long enough  
6       to deter him from future criminal activity.

7               THE COURT: A question on that. Do you think his  
8       situation changes once he gets out?

9               MS. SCHNEIDER: Well, because --

10              THE COURT: Because he's been in longer, it's going  
11       to be better?

12              MS. SCHNEIDER: No, but perhaps a longer sentence  
13       will be further deterrence to him to make him think harder  
14       about engaging in criminal conduct in the future.

15              THE COURT: Even though he'll be in the same dire  
16       circumstances when he gets out?

17              MS. SCHNEIDER: True, but a stiffer sentence makes  
18       people think twice about what they might do in the future. So  
19       for all of these reasons we believe that a sentence of 36  
20       months would be a sentence that is sufficient but not greater  
21       than necessary to hold the defendant accountable for his  
22       crimes, for his abuse of authority as a sworn Chicago police  
23       officer, and for the damage that he caused to the reputation of  
24       all sworn law enforcement officers and for the damage that he  
25       caused to the communities that he was supposed to serve.

1                   THE COURT: And what are you -- do you have any  
2 recommendations -- is there a restitution or fine amount that  
3 you are recommending or no?

4                   MS. SCHNEIDER: There is. We are asking that Your  
5 Honor impose as a condition of supervised release that he be  
6 required to repay \$15,280 that he received during the offense  
7 of conviction on the relevant conduct.

8                   THE COURT: All right. Thank you very much.  
9 Counsel.

10                  MR. GLASGOW: Thank you very much. I appreciate it.  
11 May it please the Court, Counsel. The government's version of  
12 events are what Mr. Watts has pled guilty to. And he has come  
13 forward and he has admitted to this Court his role and  
14 responsibility in those actions. He's taken personal  
15 responsibility to come before this Court and ended up  
16 indicating that he did this and is admitting to the Court and  
17 to the public that he committed this crime.

18                  That being said, this Court knows that he acted in  
19 concert with Mr. Mohammed. And he acted in concert with Mr.  
20 Mohammed during the course of the alleged acts that the  
21 government has brought forth. The fact that Mr. Watts was  
22 charged with one count does not discount the statement that Mr.  
23 Mohammed made during the course of his discussions with law  
24 enforcement, which was included in the attachments that this  
25 Court read that Mr. Mohammed was the one who asserted that he

1 was the one who always accepted extortion payments. Mr. Watts  
2 was never there.

3 Additionally, Judge, he claims on page 3 that he  
4 never got any payments from the extortions of any dealers or  
5 any payments other than a \$200 loan from the charged conduct,  
6 which again, is an absurd assertion for this Court -- that  
7 the government would put forth to the Court.

8 As for the false case of [REDACTED], this Court  
9 knows that the defendant -- or excuse me, [REDACTED] has a  
10 lengthy criminal record. I believe that we litigated parts of  
11 his criminal background, and the Court is well aware of the  
12 felonies that [REDACTED] has, as well as the crimes of moral  
13 turpitude that he has in his background. He admitted to the  
14 crimes that he was arrested for. The government's supposition  
15 that it was Mr. Watts who put a case on him is nothing more  
16 than that. There was nothing that I could find for this Court  
17 that would indicate through a transcript or through anything  
18 else during the course of his plea that he made any assertion  
19 or allegation towards Mr. Watts or any other law enforcement  
20 official that they had done anything wrong.

21 This Court has to take into consideration the fact  
22 that not only is [REDACTED] a convicted felon and served  
23 penitentiary time, but he does have severe alcohol and drug  
24 problems. Additionally, the Court is well aware that has a  
25 propensity to lie due to his prior arrests and convictions that

1 have been brought forward and made part of the litigation in  
2 this case. [REDACTED] is a questionable individual at best,  
3 and he has every reason to lie about his action towards Mr.  
4 Watts as he was getting payment from law enforcement for his  
5 participation in this matter.

6 Mr. Watts has through the presentation and the  
7 attachments that we have presented to this Court, has engaged  
8 in a long life of public service. And but for the charges that  
9 have been levied against him and the actions which the  
10 government ends up alleging, he has had a very storied  
11 background as a Chicago police officer. Obtaining numerous  
12 awards, gaining the benefit of the community, and helping the  
13 community around him. I know this Court has read the letters  
14 that have been attached to our sentencing memorandum showing  
15 what kind of father and what kind of person he is. It shows  
16 the character that Mr. Watts does have, and it shows a  
17 rehabilitatable person that is worth saving and worth going the  
18 extra mile for.

19 Mr. Watts has numerous amounts of mitigation in this  
20 matter, which we have presented. And I always find it  
21 interesting that the government attempts to characterize that  
22 in some way as aggravation as if he had a lengthy criminal  
23 background that would be a much better issue for this Court to  
24 take into aggravation. The fact that he has a good background  
25 shows that he is somebody that is not deserving of a long

1       criminal sentence.

2               He is agreeing to restitution, Judge. The  
3       restitution in this matter should be set for the counts  
4       charged, as Mr. Mohammed was only sentenced to pay restitution  
5       I believe of \$9900, which does not include any of the other  
6       agreed -- excuse me, aggravating circumstances that I believe  
7       the government is setting forth in this matter, which the  
8       government has alleged and has acknowledged that Mr. Mohammed  
9       and Mr. Watts worked in concert with each other. Yet the  
10      additional amount that they are attempting to have as  
11      restitution, the \$10,000 and change, is something that Mr.  
12      Mohammed was not subjected to in his restitution.

13               Mr. Mohammed was made jointly and severally liable I  
14       believe for \$5200, which Mr. Watts accepts responsibility for  
15       and will pay restitution for and agrees to the \$5200 of  
16       restitution. But as for the further amount, Judge, I don't  
17       think that that's appropriate for this Court to order based  
18       upon the totality of the circumstances and based upon the  
19       totality of both pleas.

20               He has no criminal background, Your Honor. He has a  
21       level one. He's obeyed every command of this Court while on  
22       bond. He has appeared each and every time that Your Honor has  
23       asked him to. He has created no problems and no issue for  
24       Pretrial. During the course of his plea and discussions with  
25       him, Mr. Watts realized that by pleading guilty and accepting

1 responsibility to this he has lost both his career and his  
2 pension. He realizes that this amount of stigma that has been  
3 brought upon him is something that will never be washed away.  
4 And this is something that he will carry with him the remainder  
5 of his life.

6 By pleading guilty he has chosen to give up his  
7 chosen profession in this world. And he is attempting to make  
8 amends for the wrongs that he did by pleading guilty to this  
9 Court. A lengthy sentence, Judge, would not serve the interest  
10 of justice because of the fact that he is now unemployable in  
11 the field which he has been part of for years and years and  
12 years. Sending him to the penitentiary, sending him to prison  
13 will end up giving and sending the message that deterrence has  
14 been met by this Court.

15 It does not further the criminal justice system nor  
16 the ends of justice for a lengthy prison term for a man, No. 1,  
17 of his age. And No. 2, based on the mitigating factors that  
18 have been brought to the Court's attention. Your Honor, the  
19 sheer effect of this plea that he voluntarily chose to enter  
20 into and accept responsibility should be reflected in the  
21 sentence in this matter. We would respectfully ask this Court  
22 for a minimum sentence in this matter and restitution of \$5200,  
23 plus the additional one year mandatory supervised release.

24 THE COURT: Thank you, Counsel. Mr. Watts -- and  
25 counsel can clear out. Mr. Watts, if you wish to address this

1 Court, this is your -- you can stand in front of the mike --  
2 this is your opportunity to do so. Everyone who stands before  
3 this Court prior to sentencing has that opportunity if they  
4 wish to take it. I will listen to your comments that you wish  
5 to make to the Court or to the Court as a whole or to me in  
6 particular about your sentencing. And this is your time, sir.  
7 Proceed.

8 DEFENDANT WATTS: I wish not to make a statement.  
9 Thank you.

10 THE COURT: All right. Thank you very much.

11 MS. SCHNEIDER: Your Honor, I can clarify the  
12 financial issue if you would like.

13 THE COURT: Oh, if you wish to address that, that  
14 would be good.

15 MS. SCHNEIDER: Sure. Mr. Mohammed agreed to repay  
16 \$9,900, which was the \$5200 from the offense of conviction.  
17 Plus as you may recall, he actually stipulated to the Ida B.  
18 Wells conduct, and there was certain controlled payments we had  
19 that we could add up that he paid. So that was where that  
20 number came from. Mr. Mohammed was not involved, or at the  
21 very least very minimally involved in the first theft that is  
22 the relevant conduct here, the PSI found was relevant conduct.  
23 And that one involved 11,000 -- that theft was \$11,650.

24 So our figure of 15 -- it should be -- I'm sorry. My  
25 math is wrong. 16,000.

1                   THE COURT: You said he was minimally or not  
2 involved?

3                   MS. SCHNEIDER: We have no evidence that he was  
4 involved. There was some supposition that Mr. Mohammed was  
5 involved, but he didn't admit to that, any involvement in that  
6 offense.

7                   THE COURT: In the offense that involved how much?

8                   MS. SCHNEIDER: \$11,650.

9                   THE COURT: All right. And so you agree that \$5200  
10 is the amount that he should be --

11                  MS. SCHNEIDER: Our position is given that the  
12 earlier theft was found to be relevant conduct in the PSI, that  
13 that should also be imposed -- repayment on that should be  
14 imposed.

15                  THE COURT: All right. You're going to have to give  
16 this to me again.

17                  MS. SCHNEIDER: All right. There's -- so there's the  
18 offense of conviction, which everyone agrees involved \$5200.

19                  THE COURT: Correct.

20                  MS. SCHNEIDER: That Mr. Mohammed and Mr. Watts did  
21 together. Then there was a March of 2010 transaction that we  
22 don't have evidence of Mr. Mohammed's involvement, but  
23 significant evidence of Mr. Watts' involvement.

24                  THE COURT: Okay.

25                  MS. SCHNEIDER: And that one involved \$11,650. So it

1 would appear that my math was bad. It should be 11,650 plus  
2 5200. At least that's our position.

3 THE COURT: Counsel.

4 MR. GLASGOW: Your Honor, it seems that the  
5 government is relying very heavily on the statements of Mr.  
6 Mohammed, who has pled guilty in this matter, and is  
7 selectively picking and choosing what they wish to end up  
8 delegating to Mr. Watts or not delegating to Mr. Watts. They  
9 have made the allegation that they have been -- that they have  
10 acted in concert and that somehow Mr. Watts was the primary  
11 responsibility of the criminal activity in this matter, but yet  
12 have taken on Mr. Mohammed's allegations that other activities  
13 were to be attributed to him. But yet the entire activity from  
14 beginning to end was supposedly between the two of them and at  
15 Mr. Watts' direction.

16 I mean, it seems that they are asking this Court to  
17 have it both ways. And most respectfully, Mr. Mohammed did  
18 plead guilty. He got to pick and choose what he was going to  
19 tell the government. And the fact that there is not evidence  
20 that Mr. Mohammed was involved based upon what Mr. Mohammed  
21 decided to tell the government does not really bolster the  
22 argument that he wasn't. That being said, he was not punished  
23 for that in any way. And Mr. Watts is taking the position  
24 because this is an uncharged crime and there's not significant  
25 evidence that, you know, Mr. Watts and/or Mr. Mohammed were

1 involved in this, that he shouldn't have to pay that  
2 restitution, Judge.

3 THE COURT: All right. I've heard the arguments on  
4 that. Thank you.

5 As I stated earlier, Mr. Watts, this Court relies on  
6 the arguments presented by the government's counsel and your  
7 counsel on the PSI, on the history of this case, looking at the  
8 documents that have been presented and all of the attachments.  
9 In this particular case there is some question that sometimes  
10 as to whether or not some of the evidence relied on in your  
11 case or at least the arguments relied on as far as your  
12 sentencing is concerned are based on information from a  
13 co-defendant who may have had reasons of his own to make  
14 certain statements. And the Court keeps that in mind also.

15 But, first of all, the Court looks at your  
16 background, your history here. And as counsel said, you have  
17 no criminal background. You're a level 1 as far as criminal  
18 history is concerned. You have a history of service to our  
19 country. You have served our community as a police officer,  
20 rising to the ranks of sergeant. You have a strong educational  
21 background. Although you came from a large family that seems  
22 to be fairly close, it also appears that even though you have a  
23 family that is somewhat fractured, you still maintain close  
24 ties with your children, various children. Several who have  
25 done well for themselves and said they did well based on your

1 support.

2 So if the Court were to look at the picture of you  
3 through that lens only, this Court would see a picture of a  
4 strong male figure not only in his family, but in his ethnic  
5 community, professional community, community at large.  
6 Somebody to be respected and to be an example. And then the  
7 Court has another lens that the Court has to look through. And  
8 your counsel is arguing that when I look through that lens, I  
9 look through it understanding that you're coming from a point  
10 where all things were good and you get credit for that.

11 The problem is that the mistake you made here, even  
12 though there is one count that you pled to and there's some  
13 questions of whether Mr. Mohammed is putting more on you to get  
14 himself out of some of his trouble, this was ongoing. All  
15 right. And I don't know who all did what, when, but you were  
16 part of more than just one incident. And you were a sergeant,  
17 and you were operating in a community that should hold you up  
18 as the example I just stated. And you took advantage of that  
19 community.

20 The government talks about it being a community, the  
21 Ida B. Wells Homes, formally Ida B. Wells Homes, talks about it  
22 being a place rampant with crime and drugs and problems. The  
23 place was rampant with poverty, underprivileged, addictions,  
24 illnesses. The crime stuff comes after. And it's because of  
25 that. And you were there to protect those people, and you

1 didn't. And [REDACTED], you know, based on a lot of what I  
2 read may be one of the baddest things walking around, but  
3 that's why you chose him. Who would believe him? And who  
4 would be vulnerable or be amenable to participating.

5 And what really upsets this Court is that, you know,  
6 it's bad enough that drugs are brought from the outside into  
7 the community that's already down and out, but for you to be  
8 part of the face of that or even be condoning it or not  
9 stopping it is unconscionable to this Court. So your own  
10 children have advantages. You had all those little kids in  
11 that area, this is what they see. So they see drugs. They see  
12 crime. They see cops shaking down people. They see drug  
13 dealers being able -- allowed to continue to do what they're  
14 supposed to -- want to do.

15 And then what are they taught? They're taught not to  
16 respect men such as yourself or anybody with a badge on, which  
17 is a big problem we have here. And it not only goes to the  
18 badge, it goes to the whole judicial system, the whole criminal  
19 justice system. That we have to constantly work to try to make  
20 people understand that we try to be fair. Sometimes we aren't,  
21 but we try to be fair. But when they see examples live in  
22 front of them, what are they supposed to think?

23 Your actions, sir, were a betrayal to your oath as a  
24 police officer. You betrayed your community, both your law  
25 enforcement community, the African-American community, that

1 south side community. Your actions were a betrayal. It is a  
2 serious offense. Drugs are always serious to this Court. The  
3 prevalence of drugs and the business of illegal drugs in --  
4 anywhere, but particularly in neighborhoods that have no  
5 wherewithal to fight for themselves. It is important that this  
6 Court set a sentence that promotes respect for the law, and I'm  
7 preaching to the choir, someone who was taught and had a job of  
8 respecting the law, but he broke the law.

9 Deterrence as to your criminal conduct. You know,  
10 the Court does not know exactly why you went down this road.  
11 Based on my review of your background and some of your outside  
12 interests, I have an idea as to why you wanted to continue to  
13 have money as easily as possible. Maybe it was to support a  
14 gambling habit. Maybe it was -- I don't know. I mean, it says  
15 here you like to gamble. And maybe again we got facts crossed  
16 here. I don't know. But there had to be some reason.

17 But I don't know if whatever we choose here or what  
18 this Court determines here would be an adequate deterrence, but  
19 this Court needs to make sure that this doesn't continue. Not  
20 only for you, but it doesn't continue for anyone else. Let's  
21 send a message that the Court doesn't tolerate and the  
22 community won't tolerate this activity.

23 The Court notes that Mr. Mohammed got an 18-month  
24 sentence. And one of the factors the Court looks at is making  
25 sure that there are no unwarranted sentencing disparities among

1 the defendants in this case. I guess you can tell, sir, that  
2 as much as I am impressed by your background, by the  
3 achievements of your children, the support of the family that  
4 wrote letters on your behalf, suffice it to say, that this  
5 Court is all the more disappointed based on your position in  
6 law enforcement, based on your position as a leader in -- what  
7 should have been a leader in the community, and that weighs  
8 heavily as a factor that this Court is considering.

9                   This Court is going to, therefore, sentence you, Mr.  
10 Watts, to an amount above the advisory guidelines. And this  
11 Court is going to sentence you to 22 months in the Bureau of  
12 Prisons and 1 year mandatory supervised release after the  
13 completion of that sentence. The Court is not going to  
14 recommend a fine. However, the Court will recommend that  
15 restitution be in the amount of \$5,200. A special assessment  
16 is going to be \$100.

17                   After you are released from your 22-month sentence,  
18 sir, you will report within a 72-hour period to Probation, and  
19 you will comply with all the conditions that are set forth, the  
20 standard conditions of probation. In addition to the standard  
21 conditions, you will be providing them if they so request drug  
22 samples and enter into any program if they believe one is  
23 needed for illegal drugs. You will not be possessing any  
24 weapon or destructive device, committing any crimes, state,  
25 federal, or local.

1                   You will report for any counseling if they believe  
2 that counseling is needed. You will also undergo any  
3 counseling, financial counseling if they believe that is  
4 needed. As to the restitution, what are the requirements  
5 again, Mr. Freeze, as to if he's not working?

6                   MR. FREEZE: I think it's a repayment of buy money is  
7 how that needs to be ordered.

8                   THE COURT: All right.

9                   MR. FREEZE: And counsel can correct me.

10                  MS. SCHNEIDER: I think that's correct, Your Honor.

11                  THE COURT: Repayment of buy money of \$5200.

12                  MR. FREEZE: The probation office wants to ask the  
13 Court and counsel if any of that portion is joint and  
14 several -- severally liable with the co-defendant.

15                  MR. GLASGOW: Yes, Judge. I believe Mr. Mohammed  
16 was --

17                  THE COURT: It should be --

18                  MR. GLASGOW: -- sentenced jointly and severally.

19                  THE COURT: -- jointly and severally.

20                  MS. SCHNEIDER: I agree, Judge.

21                  MR. FREEZE: In its entirety then, is that correct?

22                  THE COURT: For that 52 -- for his definitely, yes.

23                  MR. FREEZE: Thank you, Judge.

24                  THE COURT: Anything else on behalf of the  
25 government?

1 MS. SCHNEIDER: I don't believe so, Your Honor.

2 THE COURT: On behalf of the defense?

3 MR. GLASGOW: Your Honor, we had a couple, if we  
4 could, briefly. And I don't know to the extent that the Court  
5 has, but I do know Mr. Watts can at least make a suggestion in  
6 terms of recommendations for facilities that he would be  
7 serving his time at as well as an amount of time in which to  
8 get his affairs in order and turn himself in.

9 With that in mind, Mr. Watts had spoken to me before  
10 coming in today. He has family both in the western part of the  
11 United States and also in Wisconsin. And with that in mind,  
12 he -- and I don't know if it's a suggestion, request, however  
13 you'd want to phrase it, there is a federal correctional  
14 facility in the State of Colorado. I don't think it's to hang  
15 out with our former governor, but it is the one that Governor  
16 Blagojevich was sentenced to, which is Mr. Watts looked at map  
17 in terms of closeness to his family. That would be one that he  
18 would ask the Court to consider if the Court has the ability to  
19 do that.

20 THE COURT: Yes, the Court only -- the Court can only  
21 make a recommendation.

22 MR. GLASGOW: Yes, I understand, Judge. With that in  
23 mind --

24 THE COURT: So if you have a specific one, just let  
25 us know, and the Court can --

1                   MR. GLASGOW: It's that one. There is one in the  
2 State of Arizona. I did not -- I don't know specifically the  
3 name of that one. And one I think is in Sandstone, Minnesota,  
4 which is the southern part I believe of the State of Minnesota.  
5 So he would ask that -- request at least those be considered.  
6 He would also ask if Your Honor could give him between 30 and  
7 60 days to get his affairs in order, sell property, be prepared  
8 to turn himself in. His family can take care of the rest of  
9 the matters after that.

10                  THE COURT: Government position on his request for 30  
11 to 60 days.

12                  MS. SCHNEIDER: We don't have any objection to that,  
13 Your Honor.

14                  THE COURT: All right. Sir, I'll give you 60 days.  
15 All right. Till after -- make it January -- after the first of  
16 the year.

17                  THE CLERK: January 10th.

18                  THE COURT: You will turn yourself in to the  
19 marshal's office.

20                  THE CLERK: They will designate him by then.

21                  THE COURT: You'll be designated by then as to where  
22 you're supposed to be.

23                  MR. FREEZE: Judge, I do have one question. Maybe I  
24 just didn't hear you. Did you impose the condition of  
25 supervised release that would require the defendant to provide

1 the Probation Office with financial records --

2 THE COURT: With a DNA sample?

3 MR. FREEZE: Access to financial information,  
4 financial records.

5 THE COURT: You know what, I didn't say that  
6 specifically, but that will -- that is part of the order, that  
7 Probation have access to his financial information.

8 MR. FREEZE: Thank you, Judge. And I just would  
9 remind the defendant -- the Probation Office would remind the  
10 defendant that the bond conditions still hold and any pretrial  
11 requirements need to be followed.

12 THE COURT: And the Court will remind him of that  
13 also. Before we do that, is there anything else from the  
14 government?

15 MS. SCHNEIDER: Yes, Your Honor. I neglected to move  
16 to dismiss the forfeiture allegation in the indictment.

17 THE COURT: I'm certain that there's no objection.

18 MR. GLASGOW: No objection.

19 THE COURT: It will be granted. All right. Anything  
20 else from the government?

21 MS. SCHNEIDER: No, Your Honor.

22 THE COURT: Defense, anything else?

23 MR. GLASGOW: No. Thank you.

24 THE COURT: Was there a waiver of appeal rights here?  
25 Sir, you have the opportunity to appeal this Court's decision.

1 You have to do so within -- let the proper authorities know you  
2 want to do so within 14 days. You speak to your counsel, and  
3 they will assist you with that.

4 Sir, again this is not a happy day for the Court.  
5 Clearly not for you and your family. The Court is certain that  
6 you understand that not only do the conditions remain while you  
7 are out, but you will clearly not help yourself if for some  
8 reason any of these conditions are violated regardless of  
9 whatever stress and strain there may be as it leads up to the  
10 date. All right. And the Court wishes that after your  
11 completion of this sentence that things will go well for you.

12 All right. Thank you very much.

13 MS. SCHNEIDER: Thank you, Your Honor.

14 MR. GLASGOW: Thank you, Your Honor.

15 CERTIFICATE

16 I HEREBY CERTIFY that the foregoing is a true,  
17 correct and complete transcript of the proceedings had at the  
18 hearing of the aforementioned cause on the day and date hereof.

19

20 /s/TRACEY D. McCULLOUGH

September 4, 2014

21 Official Court Reporter Date  
22 United States District Court  
23 Northern District of Illinois  
24 Eastern Division

25